



NORFOLK

Office of the City Attorney

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June 10, 2014

To the Honorable Council
City of Norfolk, Virginia

R-13

Re: Tax Overpayment
139 Riverview, LLC

Dear Ladies and Gentlemen:

Attached please find an ordinance directing the City Treasurer to refund to 139 Riverview, LLC, \$22,678.58 based upon the overpayment of Real Estate Taxes for the tax years 2013 and 2014, resulting in a refund due of \$22,678.58, plus interest.

Respectfully submitted,

A handwritten signature in dark ink, appearing to read "Bernard A. Pishko".

Bernard A. Pishko
City Attorney

Recommendation: Adopt Ordinance

**Norfolk Real Estate Assessor Certification and Request for the Refund of Previously
Paid Tax to:**

**139 Riverview, LLC
4006 Victory Blvd., Suite J-222
Portsmouth, VA 23701-2844**

Account Number 01313500

May 16, 2014

Overview:

This property, known as the Riverview Lofts, was placed into the tax abatement program in December of 2010, shortly after being purchased by 139 Riverview LLC (Andy McCullough). It was completely rehabilitated into eighty-one (81) apartment units and construction was complete as of January 1, 2013.

Based on the recently adopted ordinance amending Subsection (D) of Section 24-203.1 of the Norfolk City Code, changes were made to the Abatement Program that allow for a two year rent stabilization period. Prior to the change in the ordinance, the practice was to value the property at completion based on the percentage of lease up at that time. The value of this property effective January 1, 2013 was \$10,030,700, based on seventy-five percent (75%) lease up. Effective July 1, 2013 a new value reflecting one hundred percent (100%) lease up was calculated and posted to the system. Under the newly amended ordinance, this value should not be posted until January 1, 2015.

The first three quarters of the 2013-2014 tax year have already been paid, requiring that a refund be made in the amount of \$22,678.58.

The City Attorney has reviewed all records in the possession of the Assessor in the course of its representation in this matter.

Financial Impact:

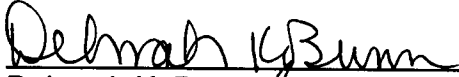
Reduction of \$22,678.58 in Real Estate tax income for tax year 2013/14.

Conclusion:

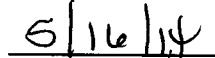
It is recommended that the City Attorney consent to the issuance of the refund and call for City Council to direct the City Treasurer to refund the taxes to **139 Riverview, LLC** in the amount of **\$22,678.58**

Certification

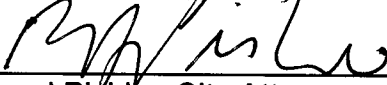
I, Deborah K. Bunn, Real Estate Assessor for the City of Norfolk, certify that the above named company is due a tax refund in the amount of \$22,678.58 as specified by Virginia Code § 58.1-3981 due to an ordinance changing the way the Abatement Program is administered and not the result of any error or omission by the Assessor's office, resulting in an overpayment of Real Estate taxes for the year 2013/14.



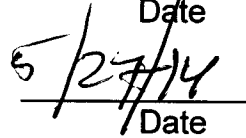
Deborah K. Bunn, Real Estate Assessor



Date



Bernard Pishko, City Attorney



Date

5/20/14mr

Form and Correctness Approved:

By Michelle G. [Signature]
Office of the City Attorney

Contents Approved:

By Brian [Signature]
DEPT.

Pursuant to Section 72 of the City Charter, I hereby certify that the money required for this item is in the city treasury to the credit of the fund from which it is drawn and not appropriated for any other purpose. 1559.521000 105 020 4001 01
1559.521000 105 020 4001 02
1559.521000 105 020 4001 03
\$ 22,478.58
for Karen Colorado Account 5/29/14
Director of Finance Date

NORFOLK, VIRGINIA

ORDINANCE No.

AN ORDINANCE DIRECTING THE CITY TREASURER TO
ISSUE A REFUND TO 139 RIVERVIEW, LLC BASED
UPON THE OVERPAYMENT OF REAL ESTATE TAXES
FOR THE TAX YEARS 2013 AND 2014.

- - -

WHEREAS the Real Estate Assessor has determined that
real estate taxes were erroneously overpaid by 139 Riverview,
LLC for tax years 2013 and 2014, and has corrected this
assessment in accordance with Virginia Code § 58.1-3981; and

WHEREAS the Real Estate Assessor has certified with
the consent of the City Attorney that the aforementioned
taxpayer paid all taxes due on the erroneous assessment and is
entitled to a refund of excess taxes paid based on the corrected
assessment in the amount of \$22,678.58, plus interest;

BE IT ORDAINED by the Council of the City of Norfolk:

Section 1:- That \$22,678.58 is hereby
appropriated for a refund to 139 Riverview, LLC for
tax years 2013 and 2014;

Section 2:- That the Treasurer of the City of
Norfolk is hereby directed to refund to 139 Riverview,
LLC in the amount specified above as soon as
practicable upon passage of this ordinance.

Section 3:- That this ordinance shall be in

effect from and after its adoption.